Forex Loan for Public Sector Units

3667. SHRI TARIQ ANWAR :
DR. M.P. JAISWAL :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to give guarantee on Forex loans to several Public Sector Units;

(b) if so, the details thereof;

(c) whether in the past all assistance emanating from multilateral institutions were supported by sovereign guarantees by the Government; and

(d) if not, the reasons for extending the sovereign guarantee to only select projects?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d) Central Public Sector Undertakings which go in for external commercial loans are expected to do so on their own commercial strength and it is not the normal practice of Government to guarantee such loans. The borrowings by Central PSUs from multilateral institutions, wherever approved by the Government, have been supported by Government guarantees since the Charter of these institutions, of which India is a member, does not allow them to lend to any entity without guarantee from the Government of the host Country.

[Translation]

Increase in Capital Amount by NABARD

3668. JUSTICE GUMAN MAL LODHA :
PROF. PREM SINGH CHANDUMAJRA :

Will the Minister of FINANCE be pleased to state :

(a) whether National Bank for Agriculture and Rural Development has decided to make four-fold increase in its own capital;

(b) if so, the estimated capital of the said bank during the financial year 1996-97;

(c) the amount of allocation made to the States by NABARD State-wise with particular reference to Uttar Pradesh, Rajasthan, Punjab, Bihar and Karnataka; and

(d) the norms followed by the said bank for such allocations?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) In the Budget Speech for 1996-97 it has been announced that the Share Capital of NABARD will be raised from Rs. 500 Crore to Rs. 2000 Crore over a period of 5 years and that Reserve Bank of India (RBI) and the Government of India will be contributing Rs. 400 crore and Rs. 100 crore respectively towards its share capital during 1996-97. The existing paid up share capital of NABARD is Rs. 500 crores.

(c) NABARD makes allocation out of its refinance budget to various States. State-wise/Agency-wise refinance allocations made by NABARD for schematic lending (investment credit) for the year 1996-97 are given in the enclosed statement.

(d) The following norms are inter-alia followed by NABARD while making State-wise refinance allocation for Schematic lending;

(i) Estimated lending resources of NABARD

(ii) Potential for new schemes

(iii) On-going schemes phased for the year

(iv) Absorption capacity of existing banking sector in the State.

(v) Higher allocations are made to the less developed States viz. North Eastern & Eastern States to reduce regional imbalance.

(vi) Due weightage in allocation is given for SC/ST Action Plan and other-Government Sponsored Programmes for the upliftment of poor.

STATEMENT

Performance Budget 1996-97-State-wise Allocation by National Bank for Agriculture and Rural Development

State	SBs	RRBs	SCBs	LDBs	Total
1	2	3	4	5	6
Chandigarh	20	0	0	0	20
N.C.T. of Delhi	185	0	0	0	185
Haryana	925	2035	1150	13190	17300
Himachal Pradesh	310	561	222	1168	2261
Jammu & Kashmir	80	302	266	275	923
Punjab	1005	1326	570	15600	18501
Rajasthan	990	3628	2000	11845	18463
Arunachal Pradesh	139	54	190	0	383
Assam	3198	1540	305	180	5223
Manipur	261	35	57	84	437
Meghalaya	96	153	118	0	367
Mizoram	31	139	20	0	190
Nagaland	64	26	72	0	162
Tripura	352	89	79	203	723
Sikkim	40	0	0	0	40

1	2	3	4	5	6
Bihar	3600	2932	170	4000	10702
Orissa	2600	3700	1054	2500	9854
West Bengal	830	4588	462	4000	9880
A & N Islands	14	0	60	0	74
Madhya Pradesh	465	4274	2556	6500	13795
Uttar Pradesh	2020	17106	1306	26417	46849
D & N Haveli	20	0	0	0	20
Gujarat	1242	2008	2512	10467	16229
Goa	41	0	177	0	218
Maharashtra	1450	2811	9953	13800	28014
Andhra Pradesh	861	2826	2055	18500	24242
Karnataka	1330	6840	1600	14488	24258
Lakshadweep	20	0	0	0	20
Kerala	1326	1519	1407	10200	14452
Pondicherry	8	0	30	100	138
Tamil Nadu	1767	899	4619	18000	25285
Total	25290	59391	33010	171517	289208
Additional allocation kept reserve for CBs					20792
					310000

CBs = Commercial Banks

RRBs = Regional Rural Banks

SCBs = State Cooperative Banks

LDBs = Land Development Banks

[English]

Cess on Export of Agricultural Products

3669. SHRI P.C. THOMAS : Will the Minister of COMMERCE be pleased to state:

(a) whether cess on export of agricultural/horticultural produces including spices affected their exports;

(b) if so, the details thereof;

(c) whether such cess was collected for pepper, oleoresins and other spices during 1994 to 1996;

(d) if so, the details thereof, year-wise;

(e) whether such cess was suspended for certain periods;

(f) if so, what is the present position;

(g) whether export of spices can be more effective without cess; and

(h) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) : Imposition of cesses places those agricultural/horticultural produces at a disadvantageous position in which there is a stiff price competition in the international markets.

(c) to (f) Cess on various spices, under the Spices Cess Act, 1986, was collected during the years 1994-95 and 1995-96 as under :-

		Period of cess collection
(1)	Pepper (except green pepper in brine),saffron and spice oils and oleoresins	1.10.94 to 5.10.94
(ii)	Cardamom	1.4.94 to 30.11.95
(iii)	Other spices	1.4.94 to 31.3.96

Cess on pepper (except green pepper in Brine), saffron, spice oils and oleoresins has been suspended since 1.8.96.

(g) and (h) Exports of spices are dependent on number of factors apart from imposition of cesses. These factors include international demand and supply position, international and domestic prices, quality of products and other terms of trade.

MOU System to Sick Public Sector Undertakings

3670. SHRI KODIKUNNIL SURESH : Will the Minister of INDUSTRY be pleased to state :-

(a) whether the Government have extended Memorandum of Undertaking system in sick Public Sector Undertakings;

(b) if so, the details thereof and the reasons therefor; and

(c) the outcome thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir. All sick PSEs which have not been referred to BIFR will be covered under the MOU system.

(b) 14 sick PSUs have been identified for signing MOU for the year 1996-97. The list of these PSUs is enclosed in the statement However, Delhi Transport Corporation has been shifted to State Government w.e.f. 1.8.1996. The reasons for extending the MOU system in sick PSUs are;

i) To focus attention of management of sick PSUs on all relevant factors in a set order of priority.